

1 state for any number of reasons.

2 ARBITRATOR ATTWOOD: Give me an example of
3 that.

4 MS. CLAYTON: I could probably give you a
5 better example if we were in the cost proceeding
6 talking about various rates. You know, a state
7 could order a very specific rate or order us not to
8 charge for a specific rate in one state. We would
9 not necessarily carry that same order through all
10 of our states, we would simply implement it in the
11 state where it was ordered.

12 ARBITRATOR ATTWOOD: Is cost part of the
13 collaborative?

14 MS. CLAYTON: Not this week. I think it's
15 being addressed--as part of the collaborative?

16 ARBITRATOR ATTWOOD: That you're
17 addressing now.

18 MR. WHITE: We've already filed tariffs on
19 line splitting.

20 ARBITRATOR ATTWOOD: So can we focus on
21 those issues that might--that you're trying to
22 protect or preserve that might result from a New

1 York order that relates to the collaborative?

2 MR. WHITE: I don't know of any, and I
3 can't think of any, but on a hypothetical, I
4 wouldn't want to agree that whatever happens there
5 we are not going to contest them. We are going to
6 go elsewhere with. But we have agreed on this line
7 splitting to do it. We are working together to do
8 it. I don't see any problem with where we are.

9 ARBITRATOR ATTWOOD: But I want to
10 understand your position because it is--I was
11 confused as well in reading over the positions.

12 You're saying that anything that's reached
13 through consensus you would import to Virginia, or
14 would be part of the Virginia footprint.

15 MS. CLAYTON: Correct.

16 MR. WHITE: Right.

17 ARBITRATOR ATTWOOD: But you're not
18 stating and expressly are not willing to import
19 decisions by the New York Commission that may also
20 arise through as a byproduct of the collaborative
21 if it's not reached by consensus, but rather
22 reached through Commission decision.

1 MS. CLAYTON: I'm not sure that's real
2 easy to answer. I can talk to you about one
3 specific scenario where an incident has come up.

4 ARBITRATOR ATTWOOD: Okay.

5 MS. CLAYTON: And that's with regards to
6 intervals. Intervals have been ordered in certain
7 state commissions to be shortened for line sharing.
8 It was ordered that we go to a four or three
9 business day interval and only a handful of our
10 states.

11 We made an operational decision to
12 implement that state-ordered decision in all of our
13 Verizon states, simply because it makes sense again
14 from an efficiency's perspective to go ahead, from
15 an operational perspective to handle it in the same
16 manner throughout the entire Verizon territory. So
17 that's one instance where we have accommodated an
18 order in the entire footprint.

19 ARBITRATOR ATTWOOD: But I take it from
20 that answer that your position is that's the option
21 of Verizon to elect to make that decision operative
22 in the entire region, not--you don't want that to

1 be part of the obligations under the
2 Interconnection Agreement?

3 MS. CLAYTON: I have to refer this back to
4 my lawyers.

5 What I am going to say is, we will comply
6 with any state order. We will comply with any
7 Commission order. There are instances where it
8 does make sense for us to implement the order
9 throughout the entire footprint.

10 ARBITRATOR ATTWOOD: I don't think your
11 lawyers have to answer it. What I'm trying to get
12 at is the scope of what you're importing. I think
13 this is the source of the confusion.

14 If you're saying that your language
15 intends to import the results of the New York
16 collaborative, it's at least conceivable that some
17 results might be obtained by virtue not just of
18 consensus. We will hope that 99 percent are
19 obtained through consensus, but there may be
20 certain issues the parties failed to agree on, but
21 the New York Commission, in resolving the issues
22 before it in that collaborative, would order.

1 And the question for us here is: Is your
2 positions that you would accept that order as in
3 New York for purposes of Virginia, or is the limit
4 of what you are trying to import to those decisions
5 reached by consensus?

6 MR. WHITE: Let me try to give you an
7 example of one of my concerns. Some of this we
8 agreed to. Some of it we've already been ordered
9 to in New York to work together, and I feel very
10 comfortable with the collaborative in New York and
11 the oversight and the time lines that we've had to
12 lay out and substantiate and show, and one of those
13 time lines is were we going to be ready in October
14 with the October release?

15 And I could tell you that in New York,
16 with the Commission looking at it, they were almost
17 surprised that we were going to have it offered in
18 October, and if someone were to Xerox that, those
19 rules and laws across all the states, there is an
20 implication that New York is signed off and sealed,
21 yeah, this is going to be great, all the I's are
22 dotted and the T's are crossed for October.

1 But if you went up there and asked them,
2 they would say they're not too concerned about it
3 because the volumes are so small, but they're also,
4 if that's the basis, the intelligence and knowledge
5 of where we really are does exist in New York, and
6 I would have to go back and say, gee, do I have to
7 go back to New York to request an increase in the
8 time line because Virginia shouldn't really be
9 implemented until we finish the pilot in New York?
10 That kind of complexity gets tough.

11 ARBITRATOR ATTWOOD: I'm not disputing
12 there are values for Verizon in not wanting to
13 import the New York decision. I could think of
14 lots of them from your perspective. I'm not trying
15 to ask if that was your position that you were not
16 intending to import the decisions of New York. And
17 I hear you saying to me, yes, we don't--our
18 position is that we do not purport to adopt the
19 decisions of the New York Commission in--that may
20 have derived from the collaborative for a variety
21 of reasons. But putting the reason aside for just
22 a second, I want to know just as a factual matter

1 what your position is.

2 And I think I'm correct, but I would like
3 you to state audibly for the record that, in fact,
4 your position is that it's only the consensus
5 decisions that, in fact, would be imported under
6 your contract language. Is that correct?

7 MR. WHITE: Yes. Yes, that would be under
8 the contract language.

9 ARBITRATOR ATTWOOD: I just wanted to
10 clarify that.

11 MR. RUBIN: I have one more question about
12 New York, and that is, will you also incorporate
13 into Virginia the OSS performance metrics and
14 requirements across the footprint, including
15 Virginia?

16 MS. CLAYTON: To the extent we can, yes.
17 Again, if a state comes out with a specific order,
18 we would have to comply with that state's specific
19 order.

20 MR. RUBIN: Fine.

21 MR. STANLEY: I have a question about the
22 timing of the October release.

1 Will the October release be rolled out at
2 the same time in Virginia as it is in New York?

3 MR. WHITE: Yes.

4 MR. STANLEY: And under Verizon's proposed
5 contract language, would Verizon roll out
6 subsequent releases or subsequent agreements from
7 the New York collaborative at the same time in New
8 York and in Virginia?

9 MR. WHITE: At the same time I have to be
10 careful.

11 MR. STANLEY: Contemporaneously.

12 MR. WHITE: Generally, yes. However, my
13 OSS people would say wait a minute, John. There
14 are five software loads. You got to do one this
15 week, and in two weeks you've got to do the next
16 one. So, in a reasonable interval behind that,
17 assuming that each phase of the way has gone along
18 and worked, one of the problems we have is xeroxing
19 the New York item today is I don't feel comfortable
20 from an operations standpoint. OSSs are going to
21 be there, but it's going to be very hard to
22 troubleshoot if we start taking orders October 21st

1 in Virginia when the SMEs are all there, looking at
2 the orders we are waiting for in New York.

3 MS. FARROBA: In the meantime, because
4 that's mainly electronic OSS products, there would
5 be manual processes in place, right, in Virginia?

6 MS. CLAYTON: There are today, yes.

7 MR. WHITE: Oh, yeah.

8 MR. STANLEY: This might be asking you to
9 speculate, but are there agreements, are there
10 releases that could be rolled out in New York but
11 could not be rolled out in Virginia?

12 MR. WHITE: I can't think of any, but
13 there's two pieces to this, and I said early on I
14 worked through painfully line sharing, and it took
15 us a couple of months to get to the stage where we
16 fine tuned it, and then worked the bugs out and got
17 it in a volume production. We are going through
18 the same issues. There is one major difference
19 between line sharing and line splitting, and there
20 needs to be a contract relationship between two
21 other people between a DLEC, a voice LEC and a data
22 LEC. And I would like to know, and I don't know,

1 are there other relationships ready to go, and
2 knocking on the door in Virginia where a data LEC
3 and a voice LEC have gotten together.

4 MR. STANLEY: So I guess your answer is
5 yes, there could be certain things that are agreed
6 to in the New York collaborative that would not
7 be--that could not be rolled out in Virginia?

8 MR. WHITE: But not because of us. I
9 didn't see any difference in line sharing that I
10 can think of, and I wouldn't expect any difference
11 in line splitting, but it's still--hopefully there
12 won't be any differences.

13 MR. STANLEY: Two more questions. What
14 types of differences could affect the
15 implementation of procedures agreed to in New York?
16 I'm sorry. Let me back up for a second.

17 In Verizon's contract language, Verizon
18 uses the term "jurisdictional differences." Are
19 you facility with that term in the proposed
20 contract language?

21 MS. CLAYTON: Typically, when we put that
22 term in there, we are referring to differences

1 between the states.

2 MR. STANLEY: Can you be more specific?

3 MS. CLAYTON: Even more than that, we
4 might have differences--let me give you an
5 example--in Virginia and in Pennsylvania we had the
6 former GTE operating in those two states, and we
7 also had the former Bell Atlantic operating in
8 those two states, so we might have differences
9 again simply because of the two.

10 MR. STANLEY: Could you give me an example
11 of one of those differences? Different what?

12 MR. WHITE: The performance on a loop, on
13 a POTS loop. There may be different requirements
14 of notification--I don't know. Something that the
15 state specific has asked for some different
16 restoration interval that might be different in one
17 state versus another.

18 MS. FARROBA: You had, I guess, also
19 mentioned earlier that while the OSS might not be
20 as much of a concern, it would be some of the
21 operational issues, so maybe if you could give us a
22 couple of those examples as well.

1 MR. WHITE: Sure. When we introduce any
2 of these new products, we have to do training, and
3 I think back to line sharing, probably the biggest
4 problem we have with line sharing is we trained
5 people four months too soon, and we trained people
6 where there wasn't any work going on. We got the
7 same issue here. They're going to get this order
8 and they're going to say whose order is it? It's
9 AT&T's, wait a minute, but somebody else is on the
10 high frequency.

11 So for us who are close to it, it makes a
12 lot of sense, but I have to be able to explain to a
13 lot of people that the data person is subletting
14 the high frequency from the voice who is renting
15 the loop from us, and I got to get that to each and
16 every craftsman in every central office, so when
17 they got this order they are not confused.

18 And who does the wiring and different
19 tasks and groups and issues. So, to say we are
20 going to instantaneously turn it on, yes, we will.
21 The centers will have no problem processing the
22 orders, but I have a lot of rollout to do, and

1 sure, I could tell everybody now, but I can't tell
2 you what we've learned from the pilot because we
3 don't have the orders in the pilot to learn from
4 yet. So I'm very concerned we are going to spend a
5 lot of money training unnecessarily.

6 MS. FARROBA: Thank you. That was a
7 helpful explanation.

8 MR. RUBIN: I'm done with New York.

9 Two issues that are raised and I hope I
10 could deal with in one question, are issues
11 III-10-B-8 and III-10 B-10. III-10-B-8 deals with
12 CLEC to CLEC cross-connects in a central office,
13 and III-10-B-10 deals with the co-location of
14 switching equipment.

15 Is Verizon willing to accept in its
16 contract language which implements the FCC's
17 co-location Remand Order on these points?

18 MR. WHITE: We will follow all applicable
19 law. We have, however, appealed that decision.

20 MR. RUBIN: Thank you.

21 Last subject to discuss is the issue of
22 relating to loop qualification. And those are

1 AT&T's issues III-10-B-4, 5, and 5-A. The only
2 thing that's truly at issue, and I'm trying to rush
3 through this, is whether or not AT&T must use
4 Verizon's systems, Verizon's tools to pre-qualify a
5 loop when it is engaged in line splitting.

6 MS. CLAYTON: Yes.

7 MR. RUBIN: That's Verizon's position, I
8 understand.

9 MS. CLAYTON: Yes.

10 MR. RUBIN: Your rebuttal testimony cited
11 to the New York PSC's recent ruling that said,
12 among other things, that--

13 MS. McCLELLAN: Can you point us to a
14 specific page.

15 MR. RUBIN: It's in--let me find it in the
16 rebuttal testimony. It's at page 51 of your
17 August 17 rebuttal testimony, and at lines 20
18 through 22 which follow on a quote from the New
19 York Commission's recent ruling.

20 You see that?

21 MR. WHITE: Yes.

22 MR. RUBIN: At line 20, you say in light

1 of the Commission's ruling, that Verizon agrees
2 that it should be only required to make
3 modifications to its systems that are technically
4 feasible, that accommodate the needs of all CLECs
5 and that CLEC would pay for should be made for your
6 systems. That's your position; right?

7 MR. WHITE: Yes.

8 MR. RUBIN: Right.

9 When a CLEC submits an order for line
10 sharing or line splitting, it indicates on that
11 order whether it has or has not pre-qualified the
12 loop; is that right?

13 MR. WHITE: That's correct.

14 MR. RUBIN: And they do that by checking
15 the box or filling in the field that says yes?

16 MS. CLAYTON: Correct.

17 MR. RUBIN: Then your system processes the
18 order, assuming that it said yes; right?

19 MS. CLAYTON: Could process the order.
20 Depends on the response we got back. In some cases
21 we could be requested to do something further.

22 MR. RUBIN: Right. But it accepts the

1 order for further processing in your systems?

2 MS. CLAYTON: Further processing of one
3 type or another.

4 MR. RUBIN: Right.

5 MR. WHITE: It may do a data check to make
6 sure you were telling the truth when you check the
7 box.

8 MR. RUBIN: Mr. White, yesterday you said
9 the loop qualification process, the automated loop
10 qualification database in the Verizon footprint
11 does not check individual loops to qualify it for
12 DSL service; is that right?

13 MR. WHITE: It checks that the terminal
14 customer address has been qualified, and then all
15 the loops within that terminal get the same
16 characteristic. They all get distance, they all
17 get 12,200 feet in that terminal.

18 MR. RUBIN: So it doesn't check an
19 individual customer's--

20 MR. WHITE: Initially we test many of the
21 loops until we make sure exactly what that distance
22 is to that terminal. You don't go by a single

1 test.

2 MR. RUBIN: But you don't test every
3 customer in the area?

4 MR. WHITE: No, we test at least
5 10 percent of the loops and make sure that they're
6 within a range that we feel is very accurate and
7 populate that.

8 MR. RUBIN: Have you reviewed Mr. Pfau's
9 testimony on the issue of AT&T's loop qualification
10 process?

11 MR. WHITE: Oh, yes.

12 MR. RUBIN: And you're aware that the
13 process that AT&T would use would individually
14 check each loop for each customer; right?

15 MR. WHITE: Quite broad.

16 MR. RUBIN: Why do you say that?

17 MR. WHITE: Would you like me to explain?

18 MR. RUBIN: Might as well.

19 MR. WHITE: Okay. It appears that he's
20 talking about using a system similar to the
21 Delcordia's Sapphire system.

22 And in that case they would be either

1 sending a CD to a customer or the customer would
2 download some software, and it would dial in and
3 connect to and figure out doing some tests if that
4 loop was qualified or not. There's many, many
5 reasons, many, many reasons why that would give a
6 false negative or a false positive.

7 The first thing that comes off is if the
8 loop was on DLC, it would say the Sapphire system
9 would say it's not qualified. The Verizon system
10 would say, yes, we know this terminal has DLC
11 added, but we also know it has copper. So we would
12 give yes response, and the Delcordia system would
13 give a no response.

14 MR. RUBIN: Let me stop you there and
15 continue in just a minute. So, in that case if
16 there were a mistake, it would be the CLEC's public
17 problem; right?

18 MR. WHITE: Well, actually it causes a lot
19 of confusion because then you get false negatives,
20 the customer gets angry, they use another database.
21 It causes for very much a dissatisfied customer.

22 MR. RUBIN: But in that case the CLEC's on

1 its own hook, if it decides to use that and its
2 system says no, and it lives with it, that's its
3 problem; right?

4 MR. WHITE: And--

5 MS. CLAYTON: And the end user's problem.

6 MR. WHITE: And what happens in many
7 cases, the CLECs who have used the system will then
8 default and say, okay, now that I got a no, let me
9 test another system, let me test the geo system,
10 and finally they come back and test our system, so
11 they are getting the benefit of our system for the
12 fallout. Where they get yes, they're going to try
13 to use that yes, and the yes may not be a good yes.

14 MR. RUBIN: Why not?

15 MR. WHITE: Well, for one reason, this is
16 an algorithm that tries to approximate what the
17 loop can handle on a high frequency. It's actually
18 sending tones, and probably most people have heard
19 of regular modem when it first dials you hear all
20 these crazy little sounds. It's sending a whole
21 group of bandwidth and trying to figure out how low
22 and how high can the pair transmit at. The

1 Sapphire system does kind of the same kind of
2 thing, but it sends a specific signal that may be
3 for a specific technology.

4 And then it will look at that loop and
5 say, gee, it looks like this is how it's going to
6 transmit.

7 But the fact of the matter is, it can't
8 truly do that kind of testing because the high
9 frequency is cut off when it goes through the
10 switch. So that it's trying to approximate the
11 high frequency response from the low frequency
12 response.

13 Now--and even if it does that, if you test
14 it at different times of the day, if you tested it
15 at noontime when nobody is on their computers, or
16 if you tested it on a snow day when everybody is
17 home using their computers, you would get a very
18 different reading because of the noise in the
19 cable.

20 If you tested it on a cold day versus a
21 hot day, you would get a very different reading
22 because the high frequency attenuates significantly

1 different in the high and the low.

2 So, there's a lot of variables. So, if
3 you got a yes, that may be a good yes on a cold day
4 in--well, cold day in--well, but it may not work on
5 a hot day, again causing chaos.

6 What you got to understand is there is no
7 reason you cannot do this. You could do this. You
8 could use your technology, and it might be helpful,
9 but we have worked, and we have enhanced the
10 database system through the collaborative and added
11 and added and added information to it to help the
12 CLECs be able to select the right product because
13 you got to remember: The bottom is--the type of
14 loop that we sell to you has physical
15 characteristics that we guarantee. We have
16 measured this loop. We know this loop is 12,200
17 feet. We have a spec that says what we guarantee
18 on that loop.

19 You can say gee, I think it's a shorter
20 loop or longer loop or it will do this or that, and
21 that can be great, but that's not what we are
22 selling.

1 So, if you want to pick from--these are
2 the loops we categorized as X. These are the loops
3 we categorized as Y, and you have to decide which
4 loop type if you want.

5 MS. FARROBA: I have a clarification
6 question on that point that you're talking about.
7 Is there any way that someone could get a no back
8 or else just--the system could assume it's a no,
9 and someone could just order the loop for line
10 splitting anyway? I'm wondering whether they could
11 bypass that and all the obligations of something
12 that went wrong would be on the carrier ordering
13 rather than on Verizon for not providing the loop,
14 that would be DSL capable. I mean, if someone--if
15 a carrier wants to put all the risk on themselves
16 as to ensuring preorder stage that the loop is DSL
17 capable, is there a way to do that with the current
18 OSS system?

19 MR. WHITE: We have evolved a couple of
20 times. The first time we did this, we had the box
21 to check, and we didn't have the system to check
22 whether they were telling the truth or not, okay?

1 And then we would provision the loop, and then
2 there would be complaints that, gee, this loop
3 doesn't work. So, we would be out there shooting
4 trouble and say, why are we out there on this loop?
5 This is a 19,000 foot loop. It's not supposed to
6 do this. It's not--the customer is complaining
7 about slow speed. No kidding.

8 But they still can order it. If they get
9 a no on a loop that's 18,000 feet, and we say, and
10 we tell them, it's a 19,000 foot loop, they could
11 order it as a DDL loop.

12 And a digital design loop costs them no
13 more, they place the order, and they could get the
14 loop, and they could take it at their risk.

15 Now, when I get trouble on a DDL loop, I
16 say, yeah, okay, you understand it's a 19,000 foot
17 loop, you're not going to get a mega speed out
18 there, and it helps have that contract
19 relationship.

20 MS. FARROBA: Thank you.

21 MR. RUBIN: But again, if the CLEC wants
22 to rely on its information, it's a problem, isn't

1 it?

2 MR. WHITE: Not when we have maintenance
3 standards and performance to achieve here. And
4 customers say they don't work, give us another
5 loop, and we are out there churning, plant, is this
6 loop good, is that loop good, and we're out there
7 shooting troubles that are because you have said
8 the loop is good, and our database tested it and
9 said it's not.

10 MR. RUBIN: And if the CLEC says when I do
11 the checking myself and it's on my head, and if
12 there is a problem, I'm responsible for making
13 Verizon whole or I won't hold Verizon responsible
14 for performance on that loop--

15 MS. CLAYTON: It goes beyond that. We
16 don't believe it's in the best interest of the end
17 user to give false results. And it could also cost
18 Verizon money. We could encounter situations where
19 we have to roll a truck where we probably didn't
20 have to if we had gotten accurate loop results.

21 MR. RUBIN: In those cases, CLEC as the
22 purchaser of the loop may be responsible for

1 reimbursing you; right?

2 MS. CLAYTON: Well, if it doesn't result
3 in a firm order we don't have any way of billing
4 that to you. It would be a dispatch or a truck
5 roll on our part, and we would incur the charges.

6 MR. STANLEY: I just had a couple of
7 questions. On the automated loop qual database,
8 categorizes individual end users on a terminal by
9 terminal basis.

10 MR. WHITE: Yes.

11 MR. STANLEY: Is there a reason if a CLEC
12 were ordering line splitting and they knew somebody
13 in Apartment 8A had a qualified loop, is there a
14 reason why they would have to submit a loop qual
15 request for a customer in Apartment 8B?

16 MR. WHITE: Remember, this is--the one
17 that was in the same address, they wouldn't know
18 that unless they used our loop qual database, you
19 know, apartment A or B, but they are going to get
20 that same result. This is not a long process.
21 This is type it in, and you get it instantaneously.
22 And they couldn't even--let's even take that

1 situation there's some apartments that 1-A and 1-B,
2 I saw this in New York once where A was on the
3 first floor and B was on the second floor, and you
4 would say wait a minute, aren't the one's all
5 supposed to be on the first floor, and they
6 weren't, and they could be out of a different
7 terminal. So they may actually have a different
8 length, a different feed, so you can't even make
9 that assumption.

10 MR. STANLEY: Okay. Does Verizon's
11 electronic records reflect in any fashion that a
12 loop has previously been pre-qualified?

13 MR. WHITE: Well, the entire database is
14 full of telephone numbers and addresses that are
15 pre-qualified. That's what it is.

16 MR. STANLEY: Does Verizon's database
17 reflect that a particular loop has been
18 pre-qualified before by a CLEC?

19 MR. WHITE: No, it's not by a CLEC.
20 They're in the database as pre-qualified. Whether
21 someone wants to look at that information, and they
22 say, oh, yes, I see it's on the pre-qual list and

1 not on the non-pre-qual list; and, in fact, we
2 provide entire dumps of this entire database. They
3 can look at and say I will just go after the
4 pre-qual ones. I mean, it's not a mechanized
5 transaction. It's just a look at the database.

6 MS. FARROBA: And those are available in
7 Virginia, bulk information?

8 MR. WHITE: Yes, they are.

9 MS. CLAYTON: Yes.

10 MR. STANLEY: Do Verizon's electronic
11 records reflect whether a loop is currently being
12 used to provide DSL service?

13 MS. CLAYTON: Yes, they do.

14 MR. WHITE: No, be careful.

15 MS. CLAYTON: Okay.

16 MR. WHITE: Not the loop qual database.
17 The records do, but not the loop qual database.

18 MS. CLAYTON: The customer service records
19 do reflect it.

20 MR. STANLEY: Is that contained in
21 electronic--in Verizon's electronic records? That
22 a particular loop is used to provide DSL service

1 currently?

2 MS. CLAYTON: Again, I think you need to
3 be careful with what John is saying because in one
4 case you are talking about the loop qual database,
5 and in another case I'm speaking to the actual
6 customer service record.

7 MR. STANLEY: What database is the
8 customer service record kept in?

9 MS. CLAYTON: The customer service record
10 would be associated with our preordering, ordering,
11 and billing databases. You may have heard of our
12 CRIS billing system and provisioning system.
13 That's where the CSR record is taken from, and
14 that's the record that would have the notation that
15 there is data on the loop.

16 MR. WHITE: As well as others. I mean,
17 the LFACS database will indicate that that cable
18 and pair has that telephone number and has data on
19 it, but not in a loop qual database.

20 MS. CLAYTON: And I would like to clarify
21 one other thing. If a CLEC orders using the
22 digital loop codes that we have set up for data, we